

FISCAL NOTE

SB 3253

March 5, 2008

SUMMARY OF BILL: Creates a new bar license for the purpose of obtaining a liquor-by-the-drink permit. Only patrons and employees over the age of 21 will be allowed to enter such establishments after 10:00 PM. If such facilities meet certain design qualifications, they may allow smoking. Requires mandatory identification checks prior to all alcoholic beverage sales. Amends the current definition of a restaurant to require at least 50 percent of the sales at such an establishment to be from food. Requires bars to post warning signs against driving while intoxicated and encouraging alternative means of transportation.

ESTIMATED FISCAL IMPACT:

Increase State Revenue - \$ 90,000/One-Time/ABC Fund
\$105,000/Recurring/ABC Fund
Less than \$100,000/Recurring/General Fund

Increase State Expenditures - \$191,600/One-Time/ABC Fund
\$201,100/Recurring/ABC Fund

Increase Local Revenue – Less than \$100,000

Assumptions:

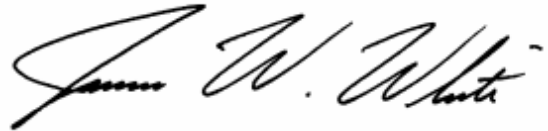
- 300 bar licenses sold.
- A one-time application fee of \$300 will result in a one-time increase in state revenue of approximately \$90,000 ($300 \times \$300 = \$90,000$).
- A \$350 annual licensing fee will result in a recurring increase in state revenue of approximately \$105,000 ($300 \times \$350 = \$105,000$).
- A local privilege tax of \$120 will result in a recurring increase in local government revenue of approximately \$36,000 ($300 \times \$120 = \$36,000$).
- ABC will need four additional enforcement agents. The recurring increase in state expenditures for these agents is estimated to be \$201,100 for salary (\$124,400), benefits (\$42,300), travel (\$12,000), printing (\$1,200), office space (\$10,800), phones (\$2,400), office supplies (\$1,200), network connections (\$4,800), and an annual contribution to the equipment replacement fund (\$2,000). One-time expenditures for equipment for these agents are estimated to be \$191,600. Required

equipment includes a vehicle, communications equipment, firearms, and other items necessary to agent enforcement duties.

- Upon licensing, entities will be assessed state and local taxes on alcoholic beverage sales and a 15 percent liquor-by-the-drink tax on each alcoholic beverage sold. This is estimated to result in an increase in state revenue of less than \$100,000 and an increase in local government revenue of less than \$100,000.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

/cce